73213-1

ASSOCIATION OF AMERICAN RAILROADS

THIRD QUARTER
R&E Series No. 711
November 10, 1982

# RAILROAD REVENUES, EXPENSES, AND INCOME

## CLASS I RAILROADS IN THE UNITED STATES

(Dollars in thousands)

| ACCOUNT | FOR THE THIRD QUARTER 1982 | FOR THE THIRD QUARTER 1981 | PERCENT INCREASE 1982 OVER 1981 | FOR THE NINE MONTHS ENDED SEPT. 30 1982 | FOR THE NINE MONTHS ENDED SEPT. 30 1981 | PERCENT INCREASE 1982 OVER 1981 |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| FREIGHT | $ 6 148 143 | $ 7 631 959 | D 17.4 | $ 19 601 102 | $ 21 734 537 | D 9.8 |
| PASSENGER | 145 204 | 144 413 | .5 | 432 431 | 391 368 | 10.4 |
| PASSENGER RELATED | 2 492 | 2 960 | D 15.8 | 7 776 | 8 540 | D 8.9 |
| ALL OTHER OPERATING REVENUE | 312 443 | 360 898 | D 13.4 | 969 562 | 1 050 872 | D 7.7 |
| JOINT FACILITY ACCOUNT | 4 267 | 4 063 | 5.0 | 13 982 | 14 209 | D 1.5 |
| **TOTAL OPERATING REVENUES** | 6 612 549 | 7 963 691 | D 16.9 | 21 024 853 | 23 199 518 | D 9.3 |
| **EXPENSES** | | | | | | |
| DEPRECIATION-ROAD | 55 574 | 53 161 | 4.5 | 166 810 | 156 214 | 6.6 |
| ALL OTHER WAY AND STRUCTURES | 1 376 116 | 1 531 148 | D 10.1 | 3 825 025 | 4 021 474 | D 4.8 |
| TOTAL WAY AND STRUCTURES | 1 431 690 | 1 584 289 | D 9.6 | 3 991 835 | 4 177 688 | D 4.4 |
| DEPRECIATION-EQUIPMENT | 251 710 | 250 933 | .3 | 763 706 | 747 797 | 2.1 |
| ALL OTHER EQUIPMENT | 1 264 718 | 1 442 136 | D 12.3 | 4 127 120 | 4 335 790 | D 4.8 |
| TOTAL EQUIPMENT EXPENSE | 1 516 428 | 1 693 069 | D 10.4 | 4 890 826 | 5 083 587 | D 3.7 |
| TRANSPORTATION-TRAIN & YARD | 2 562 081 | 3 036 874 | D 15.6 | 9 194 415 | 9 158 163 | D 10.5 |
| TRANSPORTATION-SPEC. SERV. & ADM. | 382 482 | 366 059 | 4.4 | 1 164 017 | 1 100 317 | 5.7 |
| GENERAL AND ADMINISTRATIVE | 607 883 | 641 735 | D 5.2 | 1 901 532 | 1 922 870 | D 1.1 |
| **TOTAL OPERATING EXPENSES** | 6 500 484 | 7 322 026 | D 11.2 | 20 142 425 | 21 442 625 | D 6.0 |
| **NET REVENUE FROM RAILWAY OPERATIONS** | 112 065 | 641 865 | D 82.5 | 882 428 | 1 756 893 | D 49.7 |
| OTHER INCOME | 314 081 | 336 600 | D 6.6 | 973 390 | 910 416 | 6.9 |
| DIVIDENDS FROM AFFILIATES | 67 283 | 22 286 | 201.9 | 150 075 | 107 905 | 39.0 |
| EQUITY IN UNDISTR. EARN. OF AFFIL. | DEF 11 182 | 49 268 | D 122.6 | 18 746 | 492 857 | D 93.5 |
| TOTAL INC. FROM AFFILIATED COS. | 56 101 | 71 554 | D 21.5 | 166 821 | 400 762 | D 57.8 |
| MISCELLANEOUS DEDUCTIONS | 63 158 | 76 092 | D 17.0 | 169 619 | 196 148 | D 13.5 |
| INCOME AVAILABLE FOR FIXED CHARGES | 419 091 | 973 927 | D 56.9 | 1 855 020 | 2 871 923 | D 35.4 |
| **FIXED CHARGES** | | | | | | |
| INTEREST ON FUNDED DEBT | 250 889 | 275 293 | D 8.8 | 768 875 | 792 899 | D 3.0 |
| INTEREST ON UNFUNDED DEBT | 8 242 | 11 215 | D 26.5 | 26 646 | 41 485 | D 35.7 |
| AMORT. OF DISCOUNT ON FUNDED DEBT | 2 166 | 2 529 | D 14.3 | 8 179 | 8 005 | 2.1 |
| TOTAL FIXED CHARGES | 261 297 | 289 037 | D 9.5 | 803 700 | 842 299 | D 4.5 |
| INCOME AFTER FIXED CHARGES | 157 794 | 684 890 | D 76.9 | 1 051 320 | 2 029 624 | D 48.2 |
| OTHER DEDUCTIONS | 4 472 | 8 042 | D 44.3 | 13 349 | 16 008 | D 16.6 |
| UNUSUAL OR INFREQ. ITEMS (DR.) CR. | 39 000 | 19 677 | 98.2 | 60 761 | 18 022 | 237.1 |
| INCOME (LOSS) FR. CONT. OPER. BEFORE INC. TAX | 192 322 | 696 525 | D 72.3 | 1 098 732 | 2 031 638 | D 45.9 |
| INCOME TAXES ON ORDINARY INCOME | DEF 88 184 | DEF 255 630 | D 65.5 | 13 485 | DEF 57 842 | D 123.3 |
| PROVISION FOR DEFERRED INCOME TAXES | 119 464 | 472 185 | D 74.6 | 338 125 | 647 183 | D 47.7 |
| INCOME (LOSS) FR. CONT. OPER. AFTER INC. TAX | 161 042 | 479 970 | D 66.4 | 747 122 | 1 442 097 | D 48.1 |
| INCOME (LOSS) FR. OPER. OF DISCONT. SEG. | 0 | 0 | | 0 | 0 | |
| GAIN (LOSS) ON DISP. OF DISCONT. SEG. | 0 | 0 | | 0 | 0 | |
| **ORDINARY INCOME** | 161 042 | 479 970 | D 66.4 | 747 122 | 1 442 097 | D 48.1 |
| EXTRAORDINARY ITEMS (NET) | 0 | 4 277 | D 100.0 | 0 | 11 852 | D 100.0 |
| INCOME TAXES ON EXTRAORDINARY ITEMS | 0 | 0 | | 0 | 0 | |
| PROV. FOR DEF. TAXES-EXTRAORD. ITEMS | 0 | 325 | D 100.0 | 0 | 1 025 | D 100.0 |
| CUM. EFFECT OF CHANGES IN ACCT. PRIN. | 0 | 0 | | 0 | 0 | |
| NET INCOME (AFTER EXTRAORDINARY ITEMS) | 161 042 | 483 922 | D 66.7 | 747 122 | 1 452 924 | D 48.5 |
| INCOME FROM LEASE OF ROAD & EQUIP. | DEF 40 | 749 | D 105.3 | 2 045 | 4 092 | D 49.5 |
| RENT FOR LEASED ROADS & EQUIPMENT | 33 687 | 9 737 | 245.9 | 54 564 | 26 391 | 107.0 |
| **NET RAILWAY OPERATING INCOME** | 114 512 | 434 298 | D 73.6 | 583 337 | 1 189 651 | D 50.9 |
| **CASH FLOW** | 598 972 | 1 206 961 | D 50.3 | 1 996 817 | 2 700 434 | D 26.0 |
| **RATIOS** | | | | | | |
| RATIO TO OPERATING REVENUES | | | | | | |
| OPERATING EXPENSES | 98.3 | 91.9 | | 95.8 | 92.4 | |
| OPERATING EXPENSES (INC. INC. TAXES) | 98.7 | 94.0 | | 97.4 | 94.9 | |
| NET RAILWAY OPERATING INCOME | 1.7 | 5.4 | | 2.7 | 5.1 | |

## RATE OF RETURN ON PROPERTY INVESTMENT [a]

Year Ended Sept. 30

(Thousands)

| | Net Investment | | Net Railway Operating Income | | Rate of Return [b] | |
|---|---|---|---|---|---|---|
| | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 |
| EASTERN DISTRICT | $ 9 716 620 | $ 9 200 076 | $ 250 983 | $ 6 749 | 1.92% | 2.68% |
| SOUTHERN DISTRICT | 7 268 937 | 6 928 185 | 371 983 | 417 293 | 2.18 | 6.75 |
| WESTERN DISTRICT | 18 011 628 | 17 276 627 | 737 645 | 914 509 | 2.27 | 5.86 |
| UNITED STATES | 34 997 185 | 33 404 888 | 1 360 611 | 1 338 551 | 2.16 | 5.17 |

# RAILROAD REVENUES, EXPENSES, AND INCOME

## THIRD QUARTER 1982 and 1981

### Class I Railroads in the United States

(dollars in millions)

| DISTRICT and RAILROAD | FREIGHT REVENUE ACCOUNT 101 | | TOTAL OPERATING REVENUES | | TOTAL OPERATING EXPENSES | | NET RAILWAY OPERATING INCOME | | ORDINARY INCOME | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 |
| **EASTERN DISTRICT** | | | | | | | | | | |
| BALTIMORE & OHIO | $ 207 | $ 270 | $ 217 | $ 281 | $ 220 | $ 267 | $ 3 | $ 13 | $ -5 | $ 9 |
| BESSEMER & LAKE ERIE | 18 | 33 | 23 | 35 | 21 | 23 | 2 | 8 | 2 | 10 |
| BOSTON & MAINE | 29 | 29 | 30 | 30 | 31 | 32 | -2 | -2 | -1 | -1 |
| CHESAPEAKE & OHIO | 231 | 298 | 243 | 315 | 228 | 246 | 26 | 46 | 23 | 57 |
| CONRAIL | 672 | 851 | 822 | 1 019 | 885 | 1 042 | -63 | -21 | -25 | -33 |
| DELAWARE & HUDSON | 26 | 29 | 27 | 30 | 30 | 33 | -2 | -2 | -4 | -5 |
| DETROIT, TOLEDO & IRONTON | 15 | 21 | 16 | 21 | 19 | 22 | -3 | -1 | -4 | -1 |
| ELGIN, JOLIET & EASTERN | 12 | 17 | 19 | 28 | 19 | 26 | 0 | 0 | 0 | 2 |
| GRAND TRUNK WESTERN | 54 | 50 | 58 | 53 | 59 | 54 | -1 | -1 | -2 | -2 |
| LONG ISLAND | 3 | 4 | 103 | 102 | 115 | 109 | -11 | -5 | -12 | -7 |
| NORFOLK & WESTERN | 365 | 482 | 380 | 502 | 364 | 357 | 17 | 80 | 38 | 93 |
| PITTSBURGH & LAKE ERIE | 10 | 23 | 10 | 24 | 15 | 16 | -4 | 1 | -5 | 21 |
| WESTERN MARYLAND | 21 | 22 | 22 | 23 | 17 | 21 | 2 | 2 | 3 | 2 |
| **EASTERN DISTRICT TOTAL** | 1 663 | 2 130 | 1 970 | 2 465 | 2 025 | 2 247 | -37 | 117 | 10 | 147 |
| **SOUTHERN DISTRICT** | | | | | | | | | | |
| CLINCHFIELD | 25 | 30 | 25 | 30 | 24 | 21 | 1 | 10 | 0 | 0 |
| FLORIDA EAST COAST | 21 | 24 | 22 | 24 | 19 | 22 | 1 | 1 | 3 | 2 |
| ILLINOIS CENTRAL GULF | 186 | 236 | 206 | 258 | 238 | 267 | -28 | -7 | -30 | -17 |
| LOUISVILLE & NASHVILLE | 257 | 318 | 261 | 324 | 254 | 287 | 11 | 35 | -1 | 28 |
| SEABOARD COAST LINE | 269 | 316 | 276 | 328 | 270 | 312 | 13 | 14 | 15 | 52 |
| SOUTHERN RY. SYSTEM | 378 | 454 | 387 | 464 | 367 | 383 | 29 | 55 | 26 | 48 |
| **SOUTHERN DISTRICT TOTAL** | 1 135 | 1 380 | 1 177 | 1 429 | 1 153 | 1 292 | 27 | 107 | 13 | 114 |
| **WESTERN DISTRICT** | | | | | | | | | | |
| ATCHISON, TOPEKA & SANTA FE | 515 | 600 | 524 | 614 | 485 | 567 | 34 | 40 | 30 | 31 |
| BURLINGTON NORTHERN | 912 | 1 022 | 934 | 1 045 | 895 | 967 | 32 | 58 | 48 | 65 |
| CHICAGO & NORTH WESTERN | 182 | 218 | 208 | 245 | 215 | 253 | -6 | -5 | -13 | -12 |
| CHICAGO, MILW., ST. PAUL & PAC. | 76 | 89 | 88 | 104 | 105 | 125 | -17 | -21 | 3 | 3 |
| DENVER & RIO GRANDE WESTERN | 67 | 86 | 69 | 87 | 66 | 76 | 3 | 7 | 2 | 7 |
| DULUTH, MISSABE & IRON RANGE | 11 | 40 | 11 | 41 | 16 | 26 | -3 | 7 | -2 | 9 |
| KANSAS CITY SOUTHERN | 69 | 77 | 73 | 81 | 67 | 68 | 5 | 11 | 3 | 8 |
| MISSOURI-KANSAS-TEXAS | 54 | 85 | 58 | 89 | 55 | 64 | 3 | 6 | 1 | 4 |
| MISSOURI PACIFIC | 398 | 461 | 409 | 474 | 375 | 420 | 33 | 42 | 23 | 35 |
| ST. LOUIS SOUTHWESTERN | 75 | 95 | 76 | 96 | 70 | 84 | 5 | 8 | 5 | 6 |
| SOO LINE | 68 | 84 | 69 | 85 | 67 | 76 | 2 | 5 | 3 | 8 |
| SOUTHERN PACIFIC CO. | 457 | 542 | 473 | 558 | 488 | 566 | -3 | 5 | 7 | 4 |
| UNION PACIFIC | 424 | 515 | 430 | 523 | 378 | 457 | 37 | 54 | 28 | 42 |
| WESTERN PACIFIC | 43 | 47 | 43 | 48 | 44 | 53 | 0 | -7 | -1 | 9 |
| **WESTERN DISTRICT TOTAL** | 3 350 | 3 942 | 3 466 | 4 070 | 3 323 | 3 782 | 125 | 210 | 138 | 219 |
| **GRAND TOTAL - UNITED STATES** | 6 148 | 7 452 | 6 613 | 7 964 | 6 500 | 7 322 | 115 | 434 | 161 | 480 |

# RAILROAD REVENUES, EXPENSES, AND INCOME

## NINE MONTHS ENDED SEPTEMBER 30, 1982 and 1981

### Class I Railroads in the United States

(dollars in millions)

| DISTRICT and RAILROAD | FREIGHT REVENUE ACCOUNT 101 | | TOTAL OPERATING REVENUES | | TOTAL OPERATING EXPENSES | | NET RAILWAY OPERATING INCOME | | ORDINARY INCOME | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 |
| **EASTERN DISTRICT** | | | | | | | | | | |
| BALTIMORE & OHIO | $ 679 | $ 750 | $ 710 | $ 777 | $ 717 | $ 741 | $ 1 | $ 24 | $ -6 | $ 37 |
| BESSEMER & LAKE ERIE | 52 | 81 | 64 | 87 | 63 | 60 | 1 | 13 | 4 | 19 |
| BOSTON & MAINE | 88 | 87 | 91 | 92 | 94 | 93 | -2 | -1 | 1 | 1 |
| CHESAPEAKE & OHIO | 763 | 711 | 800 | 744 | 720 | 689 | 54 | 30 | 86 | 86 |
| CONRAIL | 2 171 | 2 546 | 2 631 | 3 047 | 2 721 | 3 120 | -88 | -71 | -21 | -102 |
| DELAWARE & HUDSON | 82 | 86 | 85 | 90 | 92 | 96 | -6 | -6 | -13 | -11 |
| DETROIT, TOLEDO & IRONTON | 50 | 64 | 52 | 66 | 63 | 65 | -10 | 1 | -12 | -2 |
| ELGIN, JOLIET & EASTERN | 42 | 51 | 69 | 67 | 61 | 73 | 3 | 5 | 6 | 9 |
| GRAND TRUNK WESTERN | 177 | 162 | 186 | 170 | 185 | 168 | 3 | 4 | 1 | 1 |
| LONG ISLAND | 10 | 15 | 307 | 265 | 338 | 313 | -28 | -25 | -32 | -29 |
| NORFOLK & WESTERN | 1 307 | 1 247 | 1 355 | 1 294 | 1 086 | 989 | 157 | 165 | 220 | 198 |
| PITTSBURGH & LAKE ERIE | 35 | 59 | 37 | 63 | 48 | 55 | -9 | 3 | -13 | 19 |
| WESTERN MARYLAND | 64 | 64 | 66 | 66 | 53 | 58 | 6 | 5 | 8 | 5 |
| **EASTERN DISTRICT TOTAL** | 5 519 | 5 922 | 6 455 | 6 867 | 6 238 | 6 521 | 82 | 147 | 232 | 232 |
| **SOUTHERN DISTRICT** | | | | | | | | | | |
| CLINCHFIELD | 76 | 77 | 77 | 78 | 67 | 58 | 11 | 21 | 0 | 0 |
| FLORIDA EAST COAST | 66 | 75 | 67 | 77 | 59 | 68 | 4 | 5 | 9 | 10 |
| ILLINOIS CENTRAL GULF | 623 | 714 | 683 | 775 | 763 | 790 | -74 | -11 | -67 | -26 |
| LOUISVILLE & NASHVILLE | 832 | 926 | 848 | 943 | 805 | 851 | 48 | 87 | 19 | 63 |
| SEABOARD COAST LINE | 857 | 969 | 885 | 999 | 869 | 925 | 29 | 69 | 70 | 154 |
| SOUTHERN RY. SYSTEM | 1 191 | 1 310 | 1 220 | 1 340 | 1 047 | 1 080 | 115 | 175 | 113 | 160 |
| **SOUTHERN DISTRICT TOTAL** | 3 645 | 4 072 | 3 780 | 4 212 | 3 610 | 3 771 | 152 | 345 | 144 | 360 |
| **WESTERN DISTRICT** | | | | | | | | | | |
| ATCHISON, TOPEKA & SANTA FE | 1 558 | 1 700 | 1 589 | 1 805 | 1 492 | 1 670 | 81 | 106 | 57 | 84 |
| BURLINGTON NORTHERN | 2 729 | 2 965 | 2 792 | 3 056 | 2 672 | 2 797 | 88 | 169 | 103 | 197 |
| CHICAGO & NORTH WESTERN | 537 | 660 | 610 | 756 | 634 | 742 | -19 | 18 | -23 | -1 |
| CHICAGO, MILW., ST. PAUL & PAC. | 249 | 271 | 284 | 310 | 315 | 356 | -31 | -47 | -10 | 181 |
| DENVER & RIO GRANDE WESTERN | 220 | 246 | 225 | 251 | 208 | 216 | 13 | 20 | 12 | 20 |
| DULUTH, MISSABE & IRON RANGE | 44 | 87 | 45 | 90 | 51 | 67 | -4 | 10 | -1 | 14 |
| KANSAS CITY SOUTHERN | 227 | 221 | 237 | 232 | 208 | 196 | 24 | 29 | 15 | 20 |
| MISSOURI-KANSAS-TEXAS | 169 | 194 | 179 | 206 | 167 | 190 | 13 | 17 | 4 | 12 |
| MISSOURI PACIFIC | 1 260 | 1 384 | 1 301 | 1 424 | 1 150 | 1 245 | 124 | 137 | 95 | 113 |
| ST. LOUIS SOUTHWESTERN | 261 | 284 | 265 | 289 | 232 | 252 | 23 | 26 | 27 | 20 |
| SOO LINE | 212 | 240 | 217 | 245 | 200 | 238 | 10 | 26 | 13 | 25 |
| SOUTHERN PACIFIC CO. | 1 502 | 1 665 | 1 551 | 1 715 | 1 407 | 1 697 | -44 | 27 | 1 | 26 |
| UNION PACIFIC | 1 343 | 1 575 | 1 381 | 1 599 | 1 218 | 1 367 | 97 | 167 | 79 | 129 |
| WESTERN PACIFIC | 132 | 142 | 134 | 144 | 139 | 149 | -3 | -7 | -1 | -4 |
| **WESTERN DISTRICT TOTAL** | 10 437 | 11 741 | 10 790 | 12 120 | 10 294 | 11 151 | 369 | 698 | 371 | 830 |
| **GRAND TOTAL - UNITED STATES** | 19 601 | 21 735 | 21 025 | 23 200 | 20 142 | 21 443 | 583 | 1 190 | 747 | 1 442 |

# TOTAL OPERATING REVENUES, EXPENSES, ORDINARY INCOME, NET RAILWAY OPERATING INCOME, REVENUE TON—MILES AND CAPITAL EXPENDITURES

## CLASS I RAILROADS IN THE UNITED STATES [d/]
## BY QUARTERS, 1978-1982

(All amounts in millions)

| Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
|---|---|---|---|---|---|
| **TOTAL OPERATING REVENUES** | | | | | |
| 1978 | $ 4 772 | $ 5 752 | $ 5 397 | $ 5 915 | $ 21 836 |
| 1979 | 5 710 | 6 573 | 6 478 | 6 851 | 25 612 |
| 1980 | 6 802 | 6 943 | 6 995 | 7 517 | 28 257 |
| 1981 | 7 660 | 7 582 | 7 964 | 7 697 | 30 905 |
| 1982 | 7 190 | 7 222 | 6 613 | | |
| **TOTAL OPERATING EXPENSES** | | | | | |
| 1978 | $ 4 903 | $ 5 372 | $ 5 266 | $ 5 581 | $ 21 122 |
| 1979 | 5 587 | 6 057 | 6 343 | 6 422 | 24 409 |
| 1980 | 6 380 | 6 559 | 6 602 | 6 809 | 26 350 |
| 1981 | 6 954 | 7 174 | 7 332 | 7 113 | 28 572 |
| 1982 | 6 821 | 6 821 | 6 500 | | |
| **ORDINARY INCOME (After Fixed Charges)** | | | | | |
| 1978 | Def.$ 255 | $ 233 | $ 28 | $ 246 | $ 252 |
| 1979 | 20 | 430 | 40 | 318 | 808 |
| 1980 | 264 | 174 | 148 | 544 | 1 130 |
| 1981 | 626 | 336 | 480 | 580 | 2 040 |
| 1982 | 216 | 340 | 161 | | |
| **NET RAILWAY OPERATING INCOME** | | | | | |
| 1978 | Def.$ 133 | $ 270 | $ 57 | $ 257 | $ 451 |
| 1979 | 57 | 387 | 57 | 299 | 800 |
| 1980 | 294 | 263 | 244 | 541 | 1 342 |
| 1981 | 475 | 278 | 434 | 192 | 1 373 |
| 1982 | 204 | 365 | 115 | | |
| **REVENUE TON-MILES** | | | | | |
| 1978 | 188 552 | 230 959 | 210 982 | 227 612 | 858 105 |
| 1979 | 207 945 | 239 009 | 229 572 | 237 173 | 913 699 |
| 1980 | 233 002 | 227 197 | 222 377 | 236 045 | 918 621 |
| 1981 | 236 597 | 222 516 | 227 534 | 225 058 | 911 705 |
| 1982 | 207 428 | 208 026 | 186 000[b/] | | |
| **CAPITAL EXPENDITURES** | | | | | |
| 1978 | $ 560 | $ 680 | $ 612 | $ 886 | $ 2 738 |
| 1979 | 669 | 767 | 856 | 1 033 | 3 325 |
| 1980 | 855 | 898 | 772 | 1 096 | 3 621 |
| 1981 | 926 | 710 | 550 | 668 | 2 854 |
| 1982 | 417 | 513 | n/a | | |

*Def. - Denotes Deficit*

[a/] Rate of return is calculated on the net investment in road and equipment, less interest during construction and debit balances in other elements of investment plus working capital as calculated under Rail Form A procedures. The rate of return does not contain adjustments for investment tax credits as prescribed by the Commission in Ex Parte 393 due to lack of available data on a quarterly basis. It is estimated that the Ex Parte 393 formula would produce a slightly lower return for the majority of carriers than does the formula used above.

[b/] The 1981 and 1982 rate of return calculations are based on year end 1981 and 1980 net investment, respectively.

[c/] Differences in totals and subtotals are due to rounding.

[d/] Data for 1978 and first three quarters of 1979 include Chicago, Rock Island and Pacific Railroad. The Rock Island is included in Ton-Mile figures for year end 1979.

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A3275-1 3/17/83

ERRATA to

Third Quarter 1982 "Railroad Revenue, Expenses, and Income"
(R&E Series No. 711, November 10, 1982)

1. An error has been reported in the NROI on the bottom of the cover sheet. Correct figures as opposed to those originally reported are as follows:

## RATE OF RETURN ON PROPERTY INVESTMENT

### Year Ended Sept. 30

### (Thousands)

**Originally Reported**

| | Net Railway Operating Income | |
|---|---|---|
| | 1982 | 1981 |
| EASTERN DISTRICT | $ 250 983 | $ 6 749 |
| SOUTHERN DISTRICT | 371 983 | 417 293 |
| WESTERN DISTRICT | 737 645 | 914 509 |
| UNITED STATES | 1 360 611 | 1 338 551 |

### Year Ended Sept. 30

### (Thousands)

**Correct**

| | Net Railway Operating Income | |
|---|---|---|
| | 1982 | 1981 |
| EASTERN DISTRICT | $ 186 449 | $ 246 230 |
| SOUTHERN DISTRICT | 158 489 | 467 613 |
| WESTERN DISTRICT | 409 359 | 1 013 169 |
| UNITED STATES | 754 297 | 1 727 012 |

2. The entire report was prepared November 1982 and does not reflect subsequent accounting restatements.

ASSOCIATION OF AMERICAN RAILROADS

FOURTH QUARTER
R&E Series No. 712
February 25, 1983

# RAILROAD REVENUES, EXPENSES, AND INCOME

## CLASS I RAILROADS IN THE UNITED STATES

(Dollars in thousands) *Excludes Chicago, Milwaukee, St. Paul & Pacific Railroad.

| ACCOUNT | FOR THE FOURTH QUARTER 1982 | FOR THE FOURTH QUARTER 1981 | PERCENT INCREASE 1982 OVER 1981 | FOR THE TWELVE MONTHS ENDED DEC. 31 1982 | FOR THE TWELVE MONTHS ENDED DEC. 31 1981 | PERCENT INCREASE 1982 OVER 1981 |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| FREIGHT | $ 5 954 142 | $ 7 100 889 | D 16.20 | $ 25 305 913 | $ 28 572 865 | D 11.40 |
| PASSENGER | 138 563 | 138 146 | .30 | 555 914 | 515 551 | 7.90 |
| PASSENGER RELATED | 2 618 | 2 728 | D 4.00 | 10 394 | 11 268 | D 7.70 |
| ALL OTHER OPERATING REVENUE | 303 318 | 351 990 | D 13.70 | 1 254 903 | 1 378 088 | D 8.90 |
| JOINT FACILITY ACCOUNT | 3 587 | 3 579 | .20 | 16 021 | 16 477 | D 2.70 |
| **TOTAL OPERATING REVENUES** | 6 402 248 | 7 604 932 | D 15.80 | 27 143 145 | 30 494 249 | D 10.90 |
| **EXPENSES** | | | | | | |
| DEPRECIATION-ROAD | 59 320 | 52 344 | 13.30 | 223 580 | 205 494 | 8.80 |
| ALL OTHER WAY AND STRUCTURES | 1 139 274 | 1 266 805 | D 10.00 | 4 899 154 | 5 222 786 | D 6.10 |
| TOTAL WAY AND STRUCTURES | 1 198 594 | 1 319 149 | D 9.10 | 5 122 734 | 5 428 280 | D 5.60 |
| DEPRECIATION-EQUIPMENT | 245 687 | 257 747 | D 4.60 | 998 507 | 993 485 | .50 |
| ALL OTHER EQUIPMENT | 1 250 607 | 1 466 877 | D 14.70 | 5 306 144 | 5 720 683 | D 7.20 |
| TOTAL EQUIPMENT EXPENSE | 1 496 294 | 1 724 624 | D 13.20 | 6 304 651 | 6 714 169 | D 6.00 |
| TRANSPORTATION-TRAIN & YARD | 2 593 661 | 2 930 712 | D 11.50 | 10 673 129 | 11 967 760 | D 10.80 |
| TRANSPORTATION-SPEC. SERV. & ADM. | 356 971 | 370 648 | D 3.60 | 1 507 366 | 1 454 944 | 3.60 |
| GENERAL AND ADMINISTRATIVE | 598 145 | 642 279 | D 6.80 | 2 462 834 | 2 528 389 | D 2.50 |
| **TOTAL OPERATING EXPENSES** | 6 243 665 | 6 987 412 | D 10.60 | 26 070 714 | 28 073 541 | D 7.10 |
| **NET REVENUE FROM RAILWAY OPERATIONS** | 158 583 | 617 520 | D 74.30 | 1 072 431 | 2 420 708 | D 55.70 |
| OTHER INCOME | 338 348 | 603 030 | D 43.80 | 1 267 604 | 1 445 484 | D 12.30 |
| DIVIDENDS FROM AFFILIATES | 201 590 | 78 946 | 155.30 | 334 566 | 143 790 | 132.60 |
| EQUITY IN UNDISTR. EARN. OF AFFIL. | DR 31 097 | 27 743 | D 212.00 | DR 9 368 | 164 653 | D 105.60 |
| TOTAL INC. FROM AFFILIATED COS. | 170 493 | 106 689 | 59.80 | 325 198 | 308 443 | 5.40 |
| MISCELLANEOUS DEDUCTIONS | 44 836 | 82 061 | D 45.30 | 213 581 | 276 663 | D 22.80 |
| INCOME AVAILABLE FOR FIXED CHARGES | 622 588 | 1 245 178 | D 50.00 | 2 491 652 | 3 897 972 | D 37.10 |
| **FIXED CHARGES** | | | | | | |
| INTEREST ON FUNDED DEBT | 242 173 | 254 493 | D 4.80 | 980 957 | 1 016 289 | D 3.40 |
| INTEREST ON UNFUNDED DEBT | 9 359 | 9 217 | 1.50 | 34 963 | 49 654 | D 29.50 |
| AMORT. OF DISCOUNT ON FUNDED DEBT | 2 270 | 2 759 | D 17.70 | 9 820 | 10 750 | D 8.60 |
| TOTAL FIXED CHARGES | 253 802 | 266 469 | D 4.70 | 1 025 740 | 1 076 693 | D 4.70 |
| INCOME AFTER FIXED CHARGES | 368 786 | 978 709 | D 62.30 | 1 425 912 | 2 821 279 | D 49.40 |
| OTHER DEDUCTIONS | 3 608 | 3 847 | D 6.20 | 14 866 | 15 677 | D 5.10 |
| UNUSUAL OR INFREQ. ITEMS (DR.) CR. | 60 353 | 11 353 | 431.60 | 131 981 | 31 369 | 320.70 |
| INCOME (LOSS) FR. CONT. OPER. BEFORE INC. TAX | 425 531 | 986 215 | D 56.80 | 1 543 027 | 2 836 971 | D 45.60 |
| INCOME TAXES ON ORDINARY INCOME | CR 72 239 | 34 639 | D 308.50 | CR 58 755 | CR 23 002 | 155.40 |
| PROVISION FOR DEFERRED INCOME TAXES | 61 486 | 290 653 | D 78.80 | 399 611 | 937 835 | D 57.30 |
| INCOME (LOSS) FR. CONT. OPER. AFTER INC. TAX | 436 284 | 660 923 | D 33.90 | 1 202 171 | 1 922 138 | D 37.40 |
| INCOME (LOSS) FR. OPER. OF DISCONT. SEG. | 0 | 0 | | 0 | 0 | |
| GAIN (LOSS) ON DISP. OF DISCONT. SEG. | 0 | 0 | | 0 | 0 | |
| **ORDINARY INCOME** | 436 284 | 660 923 | D 33.90 | 1 202 171 | 1 922 138 | D 37.40 |
| EXTRAORDINARY ITEMS (NET) | 0 | 4 063 | D 100.00 | 0 | 15 915 | D 100.00 |
| INCOME TAXES ON EXTRAORDINARY ITEMS | 0 | 0 | | 0 | 0 | |
| PROV. FOR DEF. TAXES-EXTRAORD. ITEMS | 0 | 325 | D 100.00 | 0 | 1 350 | D 100.00 |
| CUM. EFFECT OF CHANGES IN ACCT. PRIN. | 0 | 6 657 | D 100.00 | 0 | 6 657 | D 100.00 |
| NET INCOME (AFTER EXTRAORDINARY ITEMS) | 436 284 | 658 004 | D 33.60 | 1 202 171 | 1 930 046 | D 37.70 |
| INCOME FROM LEASE OF ROAD & EQUIP. | 1 040 | 1 116 | D 6.80 | 2 706 | 3 878 | D 30.20 |
| RENT FOR LEASED ROADS & EQUIPMENT | 22 761 | 9 835 | 131.40 | 76 883 | 35 997 | 113.50 |
| **NET RAILWAY OPERATING INCOME** | 191 057 | 300 947 | D 36.50 | 885 752 | 1 527 994 | D 42.00 |
| CASH FLOW | 834 074 | 1 233 924 | D 32.40 | 2 833 237 | 3 896 299 | D 27.20 |
| **RATIOS** | | | | | | |
| RATIO TO OPERATING REVENUES | | | | | | |
| OPERATING EXPENSES | 97.5 | 91.8 | | 96.0 | 92.0 | |
| OPERATING EXPENSES (INC. INC. TAXES) | 97.3 | 96.1 | | 97.3 | 95.0 | |
| NET RAILWAY OPERATING INCOME | 2.9 | 3.9 | | 2.9 | 5.0 | |

## RATE OF RETURN ON PROPERTY INVESTMENT a/

Year Ended Dec. 31

(thousands)

| | Net Investment 1982 | Net Investment 1981 | Net Railway Operating Income 1982 | Net Railway Operating Income 1981 | Rate of Return b/ 1982 | Rate of Return b/ 1981 |
|---|---|---|---|---|---|---|
| EASTERN DISTRICT | $ 9 716 620 | $ 9 458 350 | $ 56 664 | $ 249 205 | .58% | 2.63% |
| SOUTHERN DISTRICT | 7 268 937 | 7 098 561 | 230 083 | 372 063 | 3.17 | 5.24 |
| WESTERN DISTRICT | 17 620 470 | 17 254 016 | 519 005 | 916 726 | 2.95 | 5.31 |
| UNITED STATES | 34 606 027 | 33 810 927 | 805 752 | 1 537 994 | 2.33 | 4.55 |



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# RAILROAD REVENUES, EXPENSES, AND INCOME

## FOURTH QUARTER 1982 and 1981

### Class I Railroads in the United States

(dollars in millions) *Excludes Chicago, Milwaukee, St. Paul & Pacific Railroad.

| DISTRICT and RAILROAD | FREIGHT REVENUE ACCOUNT 101 | | TOTAL OPERATING REVENUES | | TOTAL OPERATING EXPENSES | | NET RAILWAY OPERATING INCOME | | ORDINARY INCOME | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 |
| **EASTERN DISTRICT** | | | | | | | | | | |
| BALTIMORE & OHIO | $ 181 | $ 270 | $ 190 | $ 282 | $ 212 | $ 260 | $ -10 | $ 8 | $ -6 | $ 36 |
| BESSEMER & LAKE ERIE | 13 | 29 | 18 | 31 | 17 | 22 | -2 | 1 | 0 | 3 |
| BOSTON & MAINE | 27 | 29 | 29 | 30 | 33 | 30 | -4 | 0 | -3 | 4 |
| CHESAPEAKE & OHIO | 232 | 298 | 241 | 313 | 220 | 248 | 23 | 30 | 32 | 89 |
| CONRAIL | 663 | 793 | 809 | 954 | 845 | 967 | -36 | -13 | 23 | -4 |
| DELAWARE & HUDSON | 25 | 28 | 25 | 31 | 30 | 32 | -5 | -1 | -7 | -3 |
| DETROIT, TOLEDO & IRONTON | 15 | 19 | 16 | 21 | 20 | 22 | -4 | -1 | -5 | -1 |
| ELGIN, JOLIET & EASTERN | 14 | 14 | 20 | 23 | 18 | 22 | 1 | 1 | 2 | 2 |
| GRAND TRUNK WESTERN | 45 | 63 | 50 | 65 | 61 | 62 | -11 | 3 | -13 | 6 |
| LONG ISLAND | 3 | 4 | 108 | 107 | 117 | 113 | -7 | -5 | -8 | -6 |
| NORFOLK & WESTERN | 367 | 473 | 382 | 492 | 335 | 353 | 28 | 75 | 53 | 94 |
| PITTSBURGH & LAKE ERIE | 9 | 18 | 10 | 19 | 13 | 18 | -3 | 1 | -4 | 1 |
| WESTERN MARYLAND | 20 | 26 | 21 | 27 | 15 | 18 | 3 | 4 | 3 | 5 |
| **EASTERN DISTRICT TOTAL** | 1 614 | 2 063 | 1 919 | 2 395 | 1 937 | 2 166 | -25 | 103 | 67 | 225 |
| **SOUTHERN DISTRICT** | | | | | | | | | | |
| CLINCHFIELD | 23 | 26 | 23 | 26 | 24 | 22 | 0 | 4 | 0 | 0 |
| FLORIDA EAST COAST | 25 | 25 | 25 | 26 | 21 | 25 | 1 | 1 | 4 | 2 |
| ILLINOIS CENTRAL GULF | 192 | 237 | 212 | 258 | 221 | 262 | 45 | -5 | 42 | 20 |
| LOUISVILLE & NASHVILLE | 253 | 318 | 256 | 324 | 251 | 293 | 23 | 12 | 14 | 42 |
| SEABOARD COAST LINE | 296 | 310 | 306 | 320 | 308 | 310 | -7 | -36 | 156 | 44 |
| SOUTHERN RY. SYSTEM | 376 | 441 | 384 | 451 | 335 | 371 | 36 | 51 | 30 | 52 |
| **SOUTHERN DISTRICT TOTAL** | 1 165 | 1 358 | 1 207 | 1 405 | 1 159 | 1 283 | 98 | 27 | 246 | 159 |
| **WESTERN DISTRICT** | | | | | | | | | | |
| ATCHISON, TOPEKA & SANTA FE | 479 | 552 | 488 | 565 | 505 | 550 | -6 | 31 | -1 | 26 |
| BURLINGTON NORTHERN | 954 | 995 | 975 | 1 024 | 855 | 935 | 95 | 36 | 72 | 76 |
| CHICAGO & NORTH WESTERN | 171 | 203 | 198 | 227 | 196 | 227 | 3 | 1 | -4 | 9 |
| CHICAGO, MILW., ST. PAUL & PAC | | | | | | | | | | |
| COLORADO & SOUTHERN | | | | | | | | | | |
| DENVER & RIO GRANDE WESTERN | 66 | 83 | 67 | 84 | 61 | 70 | 5 | 10 | 4 | 11 |
| DULUTH, MISSABE & IRON RANGE | 9 | 19 | 9 | 19 | 16 | 24 | -4 | -4 | -3 | -1 |
| FORTH WORTH & DENVER | | | | | | | | | | |
| KANSAS CITY SOUTHERN | 67 | 74 | 71 | 78 | 66 | 69 | 5 | 9 | 1 | 6 |
| MISSOURI-KANSAS-TEXAS | 48 | 59 | 51 | 63 | 46 | 59 | 5 | 7 | 2 | 3 |
| MISSOURI PACIFIC | 367 | 450 | 378 | 463 | 359 | 417 | 25 | 41 | 13 | 35 |
| ST. LOUIS SOUTHWESTERN | 75 | 99 | 76 | 100 | 68 | 84 | 5 | -2 | 7 | 41 |
| SOO LINE | 66 | 83 | 68 | 85 | 63 | 70 | 2 | 11 | 2 | 11 |
| SOUTHERN PACIFIC CO. | 431 | 532 | 445 | 548 | 483 | 549 | -42 | -14 | 8 | 22 |
| UNION PACIFIC | 406 | 495 | 412 | 502 | 386 | 441 | 31 | 47 | 26 | 38 |
| WESTERN PACIFIC | 37 | 44 | 38 | 45 | 44 | 45 | -5 | -3 | -3 | 0 |
| **WESTERN DISTRICT TOTAL** | 3 175 | 3 688 | 3 276 | 3 805 | 3 147 | 3 538 | 118 | 172 | 123 | 277 |
| **GRAND TOTAL - UNITED STATES** | 5 954 | 7 109 | 6 402 | 7 605 | 6 244 | 6 987 | 191 | 301 | 436 | 661 |

# RAILROAD REVENUES, EXPENSES, AND INCOME

## TWELVE MONTHS ENDED DECEMBER 31, 1982 and 1981

### Class I Railroads in the United States

(dollars in millions) *Excludes Chicago, Milwaukee, St. Paul & Pacific Railroad.

| DISTRICT and RAILROAD | FREIGHT REVENUE ACCOUNT 101 | | TOTAL OPERATING REVENUES | | TOTAL OPERATING EXPENSES | | NET RAILWAY OPERATING INCOME | | ORDINARY INCOME | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 | 1982 | 1981 |
| **EASTERN DISTRICT** | | | | | | | | | | |
| BALTIMORE & OHIO | $ 860 | $ 1 019 | $ 900 | $ 1 059 | $ 929 | $ 1 001 | $ 0 | $ 33 | $ -3 | $ 73 |
| BESSEMER & LAKE ERIE | 65 | 111 | 82 | 118 | 81 | 82 | 0 | 14 | 4 | 22 |
| BOSTON & MAINE | 115 | 116 | 120 | 122 | 126 | 123 | -6 | -1 | -2 | 5 |
| CHESAPEAKE & OHIO | 995 | 1 008 | 1 041 | 1 057 | 940 | 937 | 69 | 60 | 118 | 176 |
| CONRAIL | 2 834 | 3 339 | 3 440 | 4 001 | 3 565 | 4 088 | -124 | -84 | 2 | -107 |
| DELAWARE & HUDSON | 106 | 114 | 111 | 120 | 122 | 127 | -11 | -7 | -20 | -15 |
| DETROIT, TOLEDO & IRONTON | 66 | 82 | 68 | 86 | 83 | 87 | -15 | -1 | -16 | -2 |
| ELGIN, JOLIET & EASTERN | 55 | 66 | 89 | 110 | 80 | 95 | 4 | 6 | 8 | 12 |
| GRAND TRUNK WESTERN | 223 | 225 | 236 | 235 | 246 | 230 | -8 | 7 | -11 | 7 |
| LONG ISLAND | 12 | 19 | 415 | 392 | 455 | 426 | -35 | -30 | -40 | -35 |
| NORFOLK & WESTERN | 1 674 | 1 719 | 1 737 | 1 786 | 1 421 | 1 342 | 185 | 239 | 273 | 291 |
| PITTSBURGH & LAKE ERIE | 45 | 77 | 47 | 83 | 61 | 73 | -12 | 3 | -17 | 20 |
| WESTERN MARYLAND | 84 | 90 | 87 | 93 | 68 | 76 | 9 | 9 | 12 | 11 |
| **EASTERN DISTRICT TOTAL** | 7 133 | 7 985 | 8 374 | 9 262 | 8 175 | 8 686 | 57 | 249 | 308 | 457 |
| **SOUTHERN DISTRICT** | | | | | | | | | | |
| CLINCHFIELD | 99 | 103 | 101 | 104 | 91 | 80 | 11 | 26 | 0 | 0 |
| FLORIDA EAST COAST | 90 | 100 | 92 | 103 | 79 | 93 | 5 | 6 | 13 | 12 |
| ILLINOIS CENTRAL GULF | 815 | 951 | 896 | 1 033 | 984 | 1 051 | -29 | -16 | -25 | -6 |
| LOUISVILLE & NASHVILLE | 1 085 | 1 244 | 1 104 | 1 267 | 1 056 | 1 144 | 70 | 98 | 33 | 104 |
| SEABOARD COAST LINE | 1 153 | 1 280 | 1 191 | 1 319 | 1 177 | 1 235 | 22 | 33 | 227 | 197 |
| SOUTHERN RY SYSTEM | 1 567 | 1 751 | 1 604 | 1 791 | 1 382 | 1 451 | 150 | 226 | 144 | 212 |
| **SOUTHERN DISTRICT TOTAL** | 4 810 | 5 430 | 4 987 | 5 617 | 4 770 | 5 054 | 230 | 372 | 391 | 520 |
| **WESTERN DISTRICT** | | | | | | | | | | |
| ATCHISON, TOPEKA & SANTA FE | 2 037 | 2 318 | 2 078 | 2 371 | 1 996 | 2 220 | 75 | 137 | 56 | 111 |
| BURLINGTON NORTHERN | 3 676 | 3 979 | 3 767 | 4 081 | 3 526 | 3 732 | 183 | 205 | 174 | 273 |
| CHICAGO & NORTH WESTERN | 708 | 983 | 808 | 983 | 830 | 968 | -16 | 20 | -27 | 8 |
| CHICAGO, MILW., ST. PAUL & PAC | | | | | | | | | | |
| COLORADO & SOUTHERN | | | | | | | | | | |
| DENVER & RIO GRANDE WESTERN | 286 | 329 | 292 | 335 | 269 | 286 | 18 | 31 | 16 | 30 |
| DULUTH, MISSABE & IRON RANGE | 52 | 106 | 54 | 109 | 67 | 90 | -9 | 7 | -5 | 13 |
| FORTH WORTH & DENVER | | | | | | | | | | |
| KANSAS CITY SOUTHERN | 294 | 295 | 308 | 310 | 275 | 265 | 28 | 38 | 16 | 27 |
| MISSOURI-KANSAS-TEXAS | 218 | 254 | 230 | 268 | 213 | 249 | 17 | 27 | 6 | 14 |
| MISSOURI PACIFIC | 1 627 | 1 835 | 1 679 | 1 888 | 1 509 | 1 660 | 148 | 179 | 109 | 148 |
| ST. LOUIS SOUTHWESTERN | 335 | 383 | 341 | 389 | 300 | 336 | 28 | 24 | 34 | 61 |
| SOO LINE | 278 | 324 | 284 | 330 | 264 | 279 | 12 | 33 | 15 | 36 |
| SOUTHERN PACIFIC CO | 1 933 | 2 196 | 1 996 | 2 263 | 2 089 | 2 246 | -86 | 13 | 8 | 48 |
| UNION PACIFIC | 1 749 | 2 071 | 1 773 | 2 101 | 1 604 | 1 808 | 128 | 214 | 105 | 167 |
| WESTERN PACIFIC | 170 | 186 | 172 | 188 | 183 | 194 | -8 | -10 | -4 | 9 |
| **WESTERN DISTRICT TOTAL** | 13 363 | 15 158 | 13 782 | 15 615 | 13 126 | 14 333 | 519 | 917 | 504 | 946 |
| **GRAND TOTAL - UNITED STATES** | 25 306 | 28 573 | 27 143 | 30 494 | 26 071 | 28 074 | 806 | 1 538 | 1 202 | 1 922 |

# TOTAL OPERATING REVENUES, EXPENSES, ORDINARY INCOME, NET RAILWAY OPERATING INCOME, REVENUE TON—MILES AND CAPITAL EXPENDITURES

## CLASS I RAILROADS IN THE UNITED STATES [d/]
## BY QUARTERS, 1978-1982

(All amounts in millions)

NOTE: Fourth Quarter and Total figures for 1982 exclude MILW.

| Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
|---|---|---|---|---|---|
| **TOTAL OPERATING REVENUES** | | | | | |
| 1978 | $ 4 772 | $ 5 752 | $ 5 397 | $ 5 915 | $ 21 836 |
| 1979 | 5 710 | 6 573 | 6 478 | 6 851 | 25 612 |
| 1980 | 6 802 | 6 943 | 6 995 | 7 517 | 28 257 |
| 1981 | 7 660 | 7 582 | 7 964 | 7 697 | 30 905 |
| 1982 | 7 190 | 7 222 | 6 613 | 6 402 | 27 143 |
| **TOTAL OPERATING EXPENSES** | | | | | |
| 1978 | $ 4 903 | $ 5 372 | $ 5 266 | $ 5 581 | $ 21 122 |
| 1979 | 5 587 | 6 052 | 6 343 | 6 422 | 24 409 |
| 1980 | 6 380 | 6 559 | 6 602 | 6 809 | 26 350 |
| 1981 | 6 954 | 7 174 | 7 332 | 7 113 | 28 572 |
| 1982 | 6 821 | 6 821 | 6 500 | 6 244 | 26 071 |
| **ORDINARY INCOME (After Fixed Charges)** | | | | | |
| 1978 | Def.$ 255 | $ 233 | $ 28 | $ 246 | $ 252 |
| 1979 | 20 | 430 | 40 | 318 | 808 |
| 1980 | 264 | 174 | 148 | 544 | 1 130 |
| 1981 | 626 | 336 | 480 | 580 | 2 040 |
| 1982 | 216 | 340 | 161 | 436 | 1 202 |
| **NET RAILWAY OPERATING INCOME** | | | | | |
| 1978 | Def.$ 133 | $ 270 | $ 57 | $ 257 | $ 451 |
| 1979 | 57 | 387 | 57 | 299 | 800 |
| 1980 | 294 | 263 | 244 | 541 | 1 342 |
| 1981 | 475 | 278 | 434 | 192 | 1 373 |
| 1982 | 204 | 265 | 115 | 191 | 806 |
| **REVENUE TON-MILES** | | | | | |
| 1978 | 188 552 | 230 959 | 210 982 | 227 612 | 858 105 |
| 1979 | 207 945 | 239 009 | 229 572 | 237 173 | 913 699 |
| 1980 | 233 002 | 227 197 | 222 377 | 236 045 | 918 621 |
| 1981 | 236 597 | 222 516 | 227 534 | 225 058 | 911 705 |
| 1982 | 207 428 | 208 026 | 190 882 | 189 000e/ | 795 000e/ |
| **CAPITAL EXPENDITURES** | | | | | |
| 1978 | $ 560 | $ 680 | $ 612 | $ 886 | $ 2 738 |
| 1979 | 669 | 767 | 856 | 1 033 | 3 325 |
| 1980 | 855 | 898 | 772 | 1 096 | 3 621 |
| 1981 | 926 | 710 | 550 | 668 | 2 854 |
| 1982 | 417 | 513 | 461 | n/a | n/a |

*Def. - Denotes Deficit*

a/ Rate of return is calculated on the net investment in road and equipment, less interest during construction and debit balances in other elements of investment plus working capital as calculated under Rail Form A procedures. The rate of return does not contain adjustments for investment tax credits as prescribed by the Commission in Ex Parte 393 due to lack of available data on a quarterly basis. It is estimated that the Ex Parte 393 formula would produce a slightly lower return for the majority of carriers than does the formula used above.

b/ The 1982 and 1981 rate of return calculations are based on year-end 1981 and average 1981 net investment, respectively.

c/ Differences in totals and subtotals are due to rounding.

d/ Data for 1978 and first three quarters of 1979 include Chicago, Rock Island and Pacific Railroad. The Rock Island is included in Ton-Mile figures for year end 1979.

e/ Estimated, includes MILW.

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AI1183
A3275-1

ASSOCIATION OF AMERICAN RAILROADS

FIRST QUARTER
R&E Series No. 713

May 19, 1983

# RAILROAD REVENUES, EXPENSES, AND INCOME

## CLASS I RAILROADS IN THE UNITED STATES

(Dollars in thousands)

### FOR THE FIRST QUARTER

| ACCOUNT | 1983 | 1982 | PERCENT INCREASE 1983 OVER 1982 |
|---|---|---|---|
| **REVENUE** | | | |
| FREIGHT | 6 171 116 | 6 713 748 | D 8.0 |
| PASSENGER | 75 152 | 142 179 | D 47.1 |
| PASSENGER RELATED | 2 187 | 2 557 | D 14.4 |
| ALL OTHER OPERATING REVENUE | 235 357 | 333 138 | D 29.3 |
| JOINT FACILITY ACCOUNT | 3 520 | 4 619 | D 23.7 |
| **TOTAL OPERATING REVENUES** | 6 487 332 | 7 196 241 | D 9.8 |
| **EXPENSES** | | | |
| DEPRECIATION-ROAD | 59 480 | 54 236 | 9.6 |
| ALL OTHER WAY AND STRUCTURES | 960 032 | 1 067 785 | D 10.0 |
| TOTAL WAY AND STRUCTURES | 1 019 512 | 1 122 021 | D 9.1 |
| DEPRECIATION-EQUIPMENT | 251 520 | 257 013 | D 2.1 |
| ALL OTHER EQUIPMENT | 1 289 309 | 1 473 153 | D 12.4 |
| TOTAL EQUIPMENT EXPENSE | 1 540 829 | 1 730 166 | D 10.9 |
| TRANSPORTATION-TRAIN & YARD | 2 533 904 | 2 922 279 | D 13.2 |
| TRANSPORTATION-SPEC. SERV. & ADM. | 361 380 | 393 561 | D 8.1 |
| GENERAL AND ADMINISTRATIVE | 670 212 | 659 554 | 1.6 |
| **TOTAL OPERATING EXPENSES** | 6 125 837 | 6 827 581 | D 10.2 |
| **NET REVENUE FROM RAILWAY OPERATIONS** | 361 495 | 368 660 | D 1.9 |
| OTHER INCOME | 217 629 | 316 988 | D 31.3 |
| DIVIDENDS FROM AFFILIATES | 25 543 | 35 029 | D 27.0 |
| EQUITY IN UNDISTR. EARN. OF AFFIL. | DEF 10 302 | DEF 6 851 | 50.3 |
| TOTAL INC. FROM AFFILIATED COS. | 15 241 | 28 178 | D 45.9 |
| MISCELLANEOUS DEDUCTIONS | 52 565 | 47 273 | 11.1 |
| INCOME AVAILABLE FOR FIXED CHARGES | 541 800 | 666 553 | D 18.7 |
| **FIXED CHARGES** | | | |
| INTEREST ON FUNDED DEBT | 243 418 | 261 039 | D 6.7 |
| INTEREST ON UNFUNDED DEBT | 9 765 | 9 433 | 3.5 |
| AMORT. OF DISCOUNT ON FUNDED DEBT | 2 961 | 2 850 | 3.8 |
| TOTAL FIXED CHARGES | 256 144 | 273 322 | D 6.2 |
| INCOME AFTER FIXED CHARGES | 285 656 | 393 231 | D 27.3 |
| OTHER DEDUCTIONS | 6 336 | 4 528 | D 4.2 |
| UNUSUAL OR INFREQ. ITEMS (DR.) CR. | 10 817 | DEF 1 432 | D 855.3 |
| INCOME (LOSS) FR. CONT. OPER. BEFORE INC. TAX | 292 137 | 387 271 | D 24.5 |
| INCOME TAXES ON ORDINARY INCOME | DEF 21 037 | 96 520 | D 121.7 |
| PROVISION FOR DEFERRED INCOME TAXES | 139 925 | 80 392 | 74.0 |
| INCOME (LOSS) FR. CONT. OPER. AFTER INC. TAX | 173 249 | 210 359 | D 17.6 |
| INCOME (LOSS) FR. OPER. OF DISCONT. SEG. | 0 | 0 | |
| GAIN (LOSS) ON DISP. OF DISCONT. SEG. | 0 | 0 | |
| **ORDINARY INCOME** | 173 249 | 210 359 | D 17.6 |
| EXTRAORDINARY ITEMS (NET) | 0 | 0 | |
| INCOME TAXES ON EXTRAORDINARY ITEMS | 0 | 0 | |
| PROV. FOR DEF. TAXES-EXTRAORD. ITEMS | 0 | 0 | |
| CUM. EFFECT OF CHANGES IN ACCT. PRIN. | 0 | 0 | |
| NET INCOME (AFTER EXTRAORDINARY ITEMS) | 173 249 | 210 359 | D 17.6 |
| INCOME FROM LEASE OF ROAD & EQUIP. | 1 494 | 643 | 132.3 |
| RENT FOR LEASED ROADS & EQUIPMENT | 14 914 | 10 275 | 45.1 |
| **NET RAILWAY OPERATING INCOME** | 256 027 | 201 380 | 27.1 |
| CASH FLOW | 634 476 | 608 851 | 4.2 |
| **RATIOS** | | | |
| RATIO TO OPERATING REVENUES | | | |
| OPERATING EXPENSES | 94.4 | 94.8 | |
| OPERATING EXPENSES (INC. INC. TAXES) | 96.2 | 97.3 | |
| NET RAILWAY OPERATING INCOME | 3.9 | 2.7 | |

## RATE OF RETURN ON PROPERTY INVESTMENT [a]

### Year Ended March 31

(thousands)

| | Net Investment | | Net Railway Operating Income | | Rate of Return [b] | |
|---|---|---|---|---|---|---|
| | 1982 | 1983 | 1983 | 1982 | 1983 | 1982 |
| EASTERN DISTRICT | $ 9 716 620 | $ 9 458 348 | $ 27 339 | $ 246 483 | .28% | 2.61% |
| SOUTHERN DISTRICT | 7 268 937 | 7 098 561 | 264 412 | 291 729 | 3.64 | 4.11 |
| WESTERN DISTRICT | 18 011 628 | 17 644 126 | 539 801 | 548 773 | 2.94 | 3.11 |
| UNITED STATES | 34 997 185 | 34 201 037 | 821 552 | 1 086 985 | 2.35 | 3.18 |

# RAILROAD REVENUES, EXPENSES, AND INCOME

## THREE MONTHS ENDED MARCH 31, 1983 and 1982

### Class I Railroads in the United States

(dollars in millions) 1/

| DISTRICT and RAILROAD | FREIGHT REVENUE ACCOUNT 101 | | TOTAL OPERATING REVENUES | | TOTAL OPERATING EXPENSES | | NET RAILWAY OPERATING INCOME | | ORDINARY INCOME | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1983 | 1982 | 1983 | 1982 | 1983 | 1982 | 1983 | 1982 | 1983 | 1982 |
| **EASTERN DISTRICT** | | | | | | | | | | |
| BALTIMORE & OHIO | $ 188 | $ 229 | $ 196 | $ 240 | $ 202 | $ 249 | $ -3 | $ -4 | $ -8 | $ -6 |
| BESSEMER & LAKE ERIE | 10 | 14 | 10 | 17 | 16 | 20 | -3 | -2 | -2 | -1 |
| BOSTON & MAINE | 26 | 29 | 27 | 30 | 30 | 31 | -2 | -1 | -2 | 0 |
| CHESAPEAKE & OHIO | 204 | 246 | 211 | 256 | 195 | 231 | 11 | 9 | 5 | 15 |
| CONRAIL | 697 | 734 | 718 | 894 | 701 | 912 | 17 | -17 | 19 | -15 |
| DELAWARE & HUDSON | 23 | 28 | 24 | 28 | 27 | 30 | -3 | -2 | -6 | -4 |
| DETROIT, TOLEDO & IRONTON | 16 | 16 | 16 | 17 | 18 | 21 | -2 | -4 | -3 | -5 |
| ELGIN, JOLIET & EASTERN | 14 | 16 | 22 | 28 | 19 | 22 | 1 | 3 | 2 | 4 |
| GRAND TRUNK WESTERN | 49 | 58 | 52 | 61 | 57 | 62 | -3 | 0 | -4 | -1 |
| LONG ISLAND | 2 | 3 | 112 | 99 | 120 | 115 | -8 | -14 | -9 | -15 |
| NORFOLK & WESTERN | 334 | 468 | 347 | 484 | 331 | 358 | 11 | 70 | 23 | 89 |
| PITTSBURGH & LAKE ERIE | 9 | 14 | 9 | 16 | 16 | 17 | -6 | -2 | -8 | -3 |
| WESTERN MARYLAND | 16 | 20 | 17 | 20 | 17 | 15 | 0 | 2 | 0 | 3 |
| **EASTERN DISTRICT TOTAL** | 1 589 | 1 874 | 1 763 | 2 191 | 1 749 | 2 082 | 9 | 39 | 6 | 61 |
| **SOUTHERN DISTRICT** | | | | | | | | | | |
| FLORIDA EAST COAST | 25 | 23 | 26 | 23 | 20 | 20 | 3 | 2 | 4 | 3 |
| ILLINOIS CENTRAL GULF | 205 | 227 | 224 | 248 | 217 | 266 | 7 | -18 | 0 | -17 |
| SEABOARD SYSTEM | 593 | 635 | 607 | 652 | 557 | 611 | 48 | 35 | 36 | 27 |
| SOUTHERN RY. SYSTEM | 374 | 402 | 383 | 411 | 323 | 345 | 38 | 43 | 30 | 43 |
| **SOUTHERN DISTRICT TOTAL** | 1 197 | 1 286 | 1 239 | 1 334 | 1 117 | 1 242 | 96 | 62 | 70 | 56 |
| **WESTERN DISTRICT** | | | | | | | | | | |
| ATCHISON, TOPEKA & SANTA FE | 476 | 524 | 486 | 535 | 484 | 522 | 3 | 13 | -3 | 2 |
| BURLINGTON NORTHERN | 972 | 895 | 993 | 919 | 843 | 864 | 95 | 32 | 77 | 33 |
| CHICAGO & NORTH WESTERN | 174 | 177 | 197 | 200 | 193 | 219 | 6 | -17 | 0 | -7 |
| CHICAGO, MILW., ST. PAUL & PAC | 82 | 87 | 87 | 98 | 83 | 107 | 4 | -9 | 3 | -11 |
| DENVER & RIO GRANDE WESTERN | 68 | 77 | 70 | 79 | 64 | 69 | 5 | 8 | 5 | 7 |
| DULUTH, MISSABE & IRON RANGE | 9 | 12 | 9 | 12 | 14 | 19 | -3 | -4 | -2 | -3 |
| KANSAS CITY SOUTHERN | 72 | 81 | 75 | 84 | 68 | 71 | 6 | 10 | 4 | 8 |
| MISSOURI-KANSAS-TEXAS | 53 | 57 | 55 | 60 | 51 | 56 | 5 | 4 | 3 | 1 |
| MISSOURI PACIFIC | 404 | 430 | 414 | 444 | 374 | 387 | 32 | 43 | 17 | 34 |
| ST. LOUIS SOUTHWESTERN | 83 | 99 | 84 | 100 | 78 | 84 | 5 | 9 | 4 | 10 |
| SOO LINE | 65 | 74 | 67 | 76 | 63 | 67 | 2 | 5 | 2 | 6 |
| SOUTHERN PACIFIC CO. | 449 | 530 | 462 | 547 | 500 | 577 | -34 | -29 | -34 | -17 |
| UNION PACIFIC | 439 | 464 | 445 | 471 | 399 | 414 | 31 | 38 | 24 | 30 |
| WESTERN PACIFIC | 40 | 46 | 41 | 46 | 47 | 48 | -4 | -2 | -2 | 1 |
| **WESTERN DISTRICT TOTAL** | 3 386 | 3 553 | 3 486 | 3 672 | 3 260 | 3 503 | 150 | 101 | 97 | 93 |
| **GRAND TOTAL - UNITED STATES** | 6 171 | 6 714 | 6 487 | 7 196 | 6 126 | 6 828 | 256 | 201 | 173 | 210 |

# TOTAL OPERATING REVENUES, EXPENSES, ORDINARY INCOME, NET RAILWAY OPERATING INCOME, REVENUE TON—MILES AND CAPITAL EXPENDITURES

## CLASS I RAILROADS IN THE UNITED STATES [d] BY QUARTERS, 1978 - 1983

(All amounts in millions)

| Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
|---|---|---|---|---|---|
| **TOTAL OPERATING REVENUES** | | | | | |
| 1978 | $ 4 772 | $ 5 752 | $ 5 397 | $ 5 915 | $ 21 836 |
| 1979 | 5 710 | 6 573 | 6 478 | 6 851 | 25 612 |
| 1980 | 6 802 | 6 943 | 6 995 | 7 517 | 28 257 |
| 1981 | 7 660 | 7 582 | 7 964 | 7 699 | 30 905 |
| 1982 | 7 196 | 7 222 | 6 613 | 6 482 | 27 507 |
| 1983 | 6 487 | | | | |
| **TOTAL OPERATING EXPENSES** | | | | | |
| 1978 | $ 4 903 | $ 5 372 | $ 5 266 | $ 5 581 | $ 21 122 |
| 1979 | 5 587 | 6 057 | 6 343 | 6 422 | 24 409 |
| 1980 | 6 380 | 6 559 | 6 602 | 6 809 | 26 350 |
| 1981 | 6 954 | 7 174 | 7 332 | 7 117 | 28 577 |
| 1982 | 6 828 | 6 821 | 6 500 | 6 331 | 26 473 |
| 1983 | 6 126 | | | | |
| **ORDINARY INCOME (After Fixed Charges)** | | | | | |
| 1978 | Def.$ 255 | $ 233 | $ 28 | $ 246 | $ 252 |
| 1979 | 20 | 430 | 40 | 318 | 808 |
| 1980 | 264 | 174 | 148 | 544 | 1 130 |
| 1981 | 626 | 336 | 480 | 562 | 2 004 |
| 1982 | 210 | 340 | 199 | 425 | 1 180 |
| 1983 | 173 | | | | |
| **NET RAILWAY OPERATING INCOME** | | | | | |
| 1978 | Def.$ 133 | $ 270 | $ 57 | $ 257 | $ 451 |
| 1979 | 57 | 387 | 57 | 299 | 800 |
| 1980 | 294 | 263 | 244 | 541 | 1 342 |
| 1981 | 475 | 278 | 434 | 198 | 1 385 |
| 1982 | 201 | 265 | 115 | 183 | 767 |
| 1983 | 256 | | | | |
| **REVENUE TON-MILES** | | | | | |
| 1978 | 188 552 | 230 959 | 210 982 | 227 612 | 858 105 |
| 1979 | 207 945 | 239 009 | 229 572 | 237 173 | 913 699 |
| 1980 | 233 002 | 227 197 | 222 377 | 236 045 | 918 621 |
| 1981 | 236 597 | 222 518 | 227 534 | 225 058 | 911 705 |
| 1982 | 207 428 | 208 027 | 191 521 | 192 771 | 799 747 |
| 1983 | 195 000 [e] | | | | |
| **CAPITAL EXPENDITURES** | | | | | |
| 1978 | $ 560 | $ 680 | $ 612 | $ 886 | $ 2 738 |
| 1979 | 669 | 767 | 856 | 1 033 | 3 325 |
| 1980 | 855 | 898 | 772 | 1 096 | 3 621 |
| 1981 | 926 | 710 | 550 | 668 | 2 854 |
| 1982 | 417 | 513 | 461 | 584 | 1 975 |
| 1983 | N/A | | | | |

*Def. - Denotes Deficit*

[a] Rate of return is calculated on the net investment in road and equipment, less interest during construction and debit balances in other elements of investment plus working capital as calculated under Rail Form A procedures. The rate of return does not contain adjustments for investment tax credits as prescribed by the Commission in Ex Parte 393 due to lack of available data on a quarterly basis. It is estimated that the Ex Parte 393 formula would produce a slightly lower return for the majority of carriers than does the formula used above.

[b] The 1983 and 1982 rate of return calculations are based on year-end 1981 and average 1981 net investment, respectively.

[c] Differences in totals and subtotals are due to rounding.

[d] Data for 1978 and first three quarters of 1979 include Chicago, Rock Island and Pacific Railroad. The Rock Island is included in Ton-Mile figures for year end 1979.

[e] Estimated.